focuses on core infrastructure projects including Transport (National Highways, State Roads, Rural Roads, Railways and Urban Transport); Urban (Water and Sanitation, City Development, Municipal Reform); and Energy (Power Sector Reforms, Transmission and Distribution, Hydropower). The Rural Roads component is a part of the Government's Bharat Nirman.

(c) and (d) No, Sir. The finalization of ADB's annual loan portfolio is done each calendar year (2006,2007 and 2008) in consultation with the line Ministries and State Governments.

(e) Does not arise.

Special Purpose Vehicle to fund infrastructure sector

1406. SHRI K. CHANDRAN PILLAI:
SHRI TARIQ ANWAR:

Will the Minister of FINANCE be pleased to state:

(a) whether decision has been taken to set up a Special Purpose Vehicle to fund infrastructure sector;

(b) if so, the details thereof;

(c) the detailed objectives of this scheme alongwith the nature of projects for which investment would be made through the SPV;

(d) whether funding by SPV restricted to the public sector projects; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) and (c) Government has decided to set up a Special Purpose Vehicle (SPV) for providing long-term debt for infrastructure projects. Pursuant to this decision, a Scheme has been drawn up to set up a Non-Banking Finance Company (NBFC) called India Infrastructure Finance Company Ltd. (IIFCL). The IIFCL will borrow money from the markets on the strength of Government guarantee bonds. The IIFCL can also raise money from organizations such as the World Bank, Asian Development Bank etc. and International debt markets, i.e., External

Commercial Borrowing etc. IIFCL will then lend this money to viable infrastructure projects. The project should be from one of the following sectors:

(i) Roads and bridges, railways, seaports, airports, inland waterways and other transportation projects;

(ii) Power;

(iii) Urban transport, water supply, sewage, solid waste management and other physical infrastructure in urban areas;

(iv) Gas pipelines;

(v) Infrastructure projects in Special Economic Zones; and

(vi) International convention centres and other tourism infrastructure projects.

(d) The IIFCL would finance only commercially viable projects sponsored by any entity *viz.* public sector, private sector or public private partnerships. Viable projects may also include those projects, which become viable after receiving viability gap funding under a Government scheme.

(e) Does not arise.

Loss of job due to merger of banks

1407. SHRI RAJEEV SHUKLA:
SHRI RAVULA CHANDRA SEKAR REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have ruled out any loss of job due to impending merger of Public Sector Banks;

(b) if so, the details of the proposal;

(c) whether Government propose to issue a directive to the banks in this regard; and

(d) if so, the details thereof?